

## Message Text

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ACTION EB-08

INFO OCT-01 NEA-11 ISO-00 AGRE-00 CEA-01 CIAE-00  
COME-00 DODE-00 FRB-03 H-01 INR-10 INT-05 L-03  
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15  
STR-07 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01  
DOE-15 OIC-02 IO-13 /127 W

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R 231213Z JUN 78

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 2390

C O N F I D E N T I A L NEW DELHI 9740

E.O. 11652: GDS

TAGS: ELAB, ETRD, IN

SUBJECT: LABOR STANDARDS INFORMATION

REF: STATE 136706

1. AS REQUESTED REFTEL, THE FOLLOWING INFORMATION ON INDIAN LABOR STANDARDS IS PROVIDED.

2. SLAVE, INDENTURED OR OTHER FORCED LABOR: NO SUCH PRACTICES EXIST IN EXPORT OR IMPORT SUBSTITUTING PRODUCTION. IN SOME RURAL, AGRICULTURAL AREAS, THE PRACTICE OF "BONDED LABOR" EXISTS FOR FARM LABOR AND TO A LESSER EXTENT DOMESTIC SERVICE. A WORKER BECOMES "BONDED" AS A RESULT OF DEBT INCURRED BY HIM OR A PARENT (IN SOME CASES THE DEBT GOES BACK SEVERAL GENERATIONS) WHICH BECAUSE OF THE HIGHLY USURIOUS RATES OF INTEREST CHARGED ON THE LOAN IS NEVER REPAYED. THE WORKER IS THEREBY OBLIGED TO WORK FOR HIS CREDITOR (OFTEN A LOCAL LANDLORD) FOR REMUNERATION MUCH LESS THAN WHAT HE WOULD OTHERWISE RECEIVE. TRIBALS AND OTHER DISADVANTAGED PERSONS HAVE BEEN EXPLOITED IN THIS WAY. THIS INVIDIOUS SYSTEM WAS OUTLAWED BY AN ORDINANCE IN 1975 WHICH WAS ENACTED INTO LAW THE NEXT YEAR (THE "BONDED LABOUR SYSTEM (ABOLITION) ACT 1976"). DESPITE THIS LEGISLATION AND EFFORTS OF GOVT TO ELIMINATE BONDED

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LABOR (THE LAW EXTINGUISHES THE DEBT LIABILITY) THE PRACTICE CONTINUES IN CERTAIN PARTS OF THE COUNTRY. THERE ARE NO RELIABLE FIGURES AS TO THE NUMBER OF PERSONS WHO CONTINUE TO WORK IN BONDED CONDITIONS. AS NOTED ABOVE, "BONDED LABOR" DOES NOT AFFECT EXPORT OR IMPORT SUBSTITUTING PRODUCTION.

3. CHILD LABOR: "THE EMPLOYMENT OF CHILDREN ACT, 1938" PROHIBITS

THE EMPLOYMENT OF PERSONS UNDER 15 YEARS OF AGE IN OCCUPATIONS CONNECTED WITH TRANSPORTATION. PERSONS UNDER 14 MAY NOT BE EMPLOYED IN BIDI (NATIVE CIGARETTE) MAKING; CARPET WEAVING; CEMENT MANUFACTURE; CLOTH PRINTING; DYEING AND WEAVING; MANUFACTURE OF MATCHES, EXPLOSIVES, FIREWORKS, SHELLAC, AND SOAP; MICA CUTTING AND SPLITTING; TANNING; AND WOOL CLEANING. THESE PROHIBITIONS DO NOT, HOWEVER, APPLY TO CHILDREN WORKING IN FAMILY ENTERPRISES. "THE CHILDREN (PLEDGING) ACT, 1933" PROHIBITS THE PLEDGING OF THE LABOR OF A CHILD IN RETURN FOR A BENEFIT. THE INDIAN CONSTITUTION STATES THAT CHILDREN UNDER THE AGE OF 14 MAY NOT BE EMPLOYED IN ANY FACTORY OR MINE ENGAGED IN HAZARDOUS ACTIVITIES. THE "PLANTATION LABOUR ACT" BARS THE EMPLOYMENT OF CHILDREN UNDER 12 IN THAT SECTOR. IN ADDITION, INDIVIDUAL STATES HAVE STATUTES LIMITING CHILD LABOR FOR SPECIFIC INDUSTRIES. ACCORDING TO THE 1971 CENSUS THERE ARE 10.73 MILLION CHILDREN BELOW THE AGE OF 14 IN THE WORK FORCE. THE GREAT MAJORITY OF THESE ARE EMPLOYED IN AGRICULTURE, EITHER AS WAGE EARNERS OR AS WORKERS ON FAMILY PLOTS. STATISTICS CONCERNING VIOLATIONS OF THE CHILD LABOR LAWS STRIKE US AS BEING OF LITTLE VALUE. OUR IMPRESSION IS THAT VIOLATIONS OF THE LAW ARE MUCH MORE FREQUENT IN THE "UNORGANIZED" SECTOR, I.E; AGRICULTURE AND SMALL MANUFACTURING WHERE MODERN TECHNOLOGY IS NOT EMPLOYED. VIOLATIONS IN THE TECHNOLOGICALLY MODERN SECTOR ARE MUCH LESS FREQUENT. THE EXCEPTION FOR FAMILY ENTERPRISES IS THE MAJOR LOOPHOLE IN THE CHILD LABOR LEGISLATION. NOT ONLY DOES IT ALLOW MANY CHILDREN LAWFULLY TO WORK, BUT IT MAKES ENFORCEMENT DIFFICULT. CONSEQUENTLY CHILD LABOR IS CONFIDENTIAL

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USED EXTENSIVELY IN THE CARPET INDUSTRY AND IN THE WEAVING OF SARIS. THESE, HOWEVER, WOULD PRESUMABLY BE CONSIDERED "COTTAGE" INDUSTRIES OR "HANDICRAFTS" (PARA 5 REFTEL).

4. TOXIC SUBSTANCES (PARA 3 (C) REFTEL): SECTIONS 36, 37, 87-90 OF THE FACTORIES ACT 1948 PRESCRIBE SAFETY REGULATIONS CONCERNING DANGEROUS FUMES, EXPLOSIVES, INFLAMMABLE DUST, AND GAS. THE ENUMERATED TOXIC SUBSTANCES WOULD FALL WITHIN THE AMBIT OF THESE SECTIONS. IN ADDITION THERE IS A SCHEDULE OF "NOTIFIABLE DISEASE" APPENDED TO THE STATUTE, WHICH INCLUDES A WIDE RANGE OF DISEASES CAUSED BY TOXIC MATERIALS. THE LAW REQUIRES THE FACTORY MANAGER TO NOTIFY THE AUTHORITIES, WHEN A WORKER CONTRACTS ONE OF THE LISTED DISEASES. OVER THE LAST DECADE THE GOVT HAS MADE A CONCERTED EFFORT TO IMPROVE SAFETY CONDITIONS IN FACTORIES. THERE IS A SYSTEM OF FACTORY INSPECTORS CHARGED WITH ENFORCING THE SAFETY LAWS, BUT THE LATEST STATISTICS CONCERNING THE FREQUENCY OF THEIR INSPECTIONS ARE FROM 1970 AND THEREFORE OF LITTLE VALUE. OUR IMPRESSION IS THE SAFETY CONDITIONS VARY CONSIDERABLY AMONG INDUSTRIES AND INDIVIDUAL FIRMS. GREATER ATTENTION TO SAFETY IS PAID IN THOSE FIRMS AND INDUSTRIES WHERE MORE MODERN TECHNOLOGY IS USED IN THE MANUFACTURING PROCESS.

5. THERE ARE NO DIFFERENTIAL REGIMES OF LABOR LAW/ PRACTICE FOR ANY OF THE CASES MENTIONED IN PARA 3(D) REFTEL. SPECIFICALLY, IN ANSWER TO PARA 4 REFTEL, THERE ARE NO LAWS OR PRACTICES WHICH EXIST ONLY FOR THE EXPORT OR IMPORT SUBSTITUTING SECTORS  
BLOOD

NOTE BY OC/T: TELEGRAM DELAYED IN TRANSMISSION.

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## Message Attributes

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**Decaption Date:** 01 jan 1960  
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